



House of Representatives

General Assembly

File No. 667

February Session, 2016

House Bill No. 5508

House of Representatives, April 19, 2016

The Committee on Appropriations reported through REP. WALKER of the 93rd Dist., Chairperson of the Committee on the part of the House, that the bill ought to pass.

**AN ACT PROVIDING FUNDING FROM THE DRUG ASSETS
FORFEITURE REVOLVING ACCOUNT FOR INPATIENT DRUG
TREATMENT SERVICES.**

Be it enacted by the Senate and House of Representatives in General Assembly convened:

1 Section 1. Section 54-36i of the general statutes is repealed and the
2 following is substituted in lieu thereof (*Effective July 1, 2016*):

3 (a) There is established and created an account of the General Fund
4 to be known as the "drug assets forfeiture revolving account" for the
5 purpose of providing funds for substance abuse treatment and
6 education programs and for use in the detection, investigation,
7 apprehension and prosecution of persons for the violation of the laws
8 pertaining to the illegal manufacture, sale, distribution or possession of
9 controlled substances.

10 (b) The account shall consist of the proceeds from the sale of
11 property and moneys received and deposited pursuant to section 54-
12 36h.

13 (c) Moneys in such account shall be distributed as follows: (1)
14 [Seventy] Forty per cent shall be allocated to the Department of
15 Emergency Services and Public Protection and local police
16 departments pursuant to subsection (d) of this section, fifteen per cent
17 of which shall be used for purposes of drug education and eighty-five
18 per cent of which shall be used for the detection, investigation,
19 apprehension and prosecution of persons for the violation of laws
20 pertaining to the illegal manufacture, sale, distribution or possession of
21 controlled substances and for the purposes of police training on gang-
22 related violence as required by section 7-294l, (2) [twenty] fifty per cent
23 shall be allocated to the Department of Mental Health and Addiction
24 Services, [for] twenty per cent of which shall be used for purposes of
25 substance abuse treatment and education programs and tobacco
26 prevention and enforcement positions engaged in compliance activities
27 as required by the federal government as a condition of receipt of
28 substance abuse prevention and treatment block grant funds and thirty
29 per cent of which shall be used for purposes of providing inpatient
30 services in drug treatment facilities, and (3) ten per cent shall be
31 allocated to the Division of Criminal Justice for use in the prosecution
32 of persons for the violation of laws pertaining to the illegal
33 manufacture, sale, distribution or possession of controlled substances.

34 (d) Expenditures from the account allocated to the Department of
35 Emergency Services and Public Protection and local police
36 departments shall be authorized by a panel composed of: (1) The
37 Commissioner of Emergency Services and Public Protection or his
38 designee, (2) the commander of the state-wide narcotics task force or
39 his designee, and (3) the president of the Connecticut Police Chiefs
40 Association or his designee. The panel shall adopt procedures for the
41 orderly authorization of expenditures, subject to the approval of the
42 Comptroller. Such expenditures may be authorized only to the
43 Department of Emergency Services and Public Protection and to
44 organized local police departments within this state. Such
45 expenditures shall be held by the Department of Emergency Services
46 and Public Protection and the various organized local police
47 departments in accounts or funds established for that purpose. In no

48 event shall the expenditures be placed in a state or town general fund
49 and in no event shall the expenditures be used for purposes other than
50 those provided in subdivision (1) of subsection (c) of this section. The
51 panel shall ensure the equitable allocation of expenditures to the
52 Department of Emergency Services and Public Protection or any local
53 police department which participated directly in any of the acts which
54 led to the seizure or forfeiture of the property so as to reflect generally
55 the contribution of said department or such local police department in
56 such acts. The panel shall authorize expenditures from the account for
57 the reimbursement of any organized local police department which
58 has used its own funds in the detection, investigation, apprehension
59 and prosecution of persons for the violation of laws pertaining to the
60 illegal manufacture, sale, distribution or possession of controlled
61 substances and which makes application to the panel for
62 reimbursement.

63 (e) Moneys remaining in the drug assets forfeiture revolving
64 account at the end of a fiscal year shall not revert to the General Fund
65 but shall remain in the revolving account to be used for the purposes
66 set forth in this section.

This act shall take effect as follows and shall amend the following sections:		
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Section 1	July 1, 2016	54-36i
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APP *Joint Favorable*

The following Fiscal Impact Statement and Bill Analysis are prepared for the benefit of the members of the General Assembly, solely for purposes of information, summarization and explanation and do not represent the intent of the General Assembly or either chamber thereof for any purpose. In general, fiscal impacts are based upon a variety of informational sources, including the analyst's professional knowledge. Whenever applicable, agency data is consulted as part of the analysis, however final products do not necessarily reflect an assessment from any specific department.

OFA Fiscal Note

State Impact:

Agency Affected	Fund-Effect	FY 17 \$	FY 18 \$
Emergency Services and Public Protection, Dept.	SF - Revenue Loss	See Below	See Below
Mental Health & Addiction Serv., Dept.	SF - Revenue Gain	See Below	See Below

Note: SF=Special Fund (Non-appropriated)

Municipal Impact:

Municipalities	Effect	FY 17 \$	FY 18 \$
Municipal Police Departments	Revenue Loss	See Below	See Below

Explanation

The bill changes the distribution of drug asset forfeiture revenue, reducing the portion received by the Department of Emergency Services and Public Protection (DESPP) and municipal police departments from 70% to 40% and increasing the portion received by the Department of Mental Health and Addiction Services (DMHAS) from 20% to 50%. The additional funding for DMHAS will be used for the purposes of providing inpatient services in drug treatment facilities. In FY 15, a total of approximately \$2 million of drug asset forfeiture revenue was collected.

The chart below illustrates the change in the revenue distribution.

Drug Asset Forfeiture Distribution					
FY 15 Revenue: \$1,958,168					
Agency	Current Law		Bill		Difference
DESPP/Law Enforcement	70%	1,370,717	40%	783,267	(587,450)
DMHAS	20%	391,634	50%	979,084	587,450
DCJ	10%	195,817	10%	195,817	-

The Out Years

The annualized ongoing fiscal impact identified above would continue into the future subject to inflation.

OFA Bill Analysis**HB 5508*****AN ACT PROVIDING FUNDING FROM THE DRUG ASSETS FORFEITURE REVOLVING ACCOUNT FOR INPATIENT DRUG TREATMENT SERVICES.*****SUMMARY:**

The bill changes the distribution of drug asset forfeiture revenue, reducing the portion received by the Department of Emergency Services and Public Protection (DESPP) and municipal police departments from 70% to 40% and increasing the portion received by the Department of Mental Health and Addiction Services (DMHAS) from 20% to 50%. The additional funding for DMHAS will be used for the purposes of providing inpatient services in drug treatment facilities.

EFFECTIVE DATE: July 1, 2016

BACKGROUND**Current Distribution of Forfeited Funds**

Under the forfeiture law, prosecutors file civil actions in court seeking an order to forfeit property seized related to drug crimes. Forfeited money is deposited in a drug asset forfeiture revolving account. The law requires using account funds for substance abuse treatment and education programs and detecting, investigating, apprehending, and prosecuting people for drug crimes. It requires distributing funds to the Department of Emergency Services and Public Protection (DESPP), local police departments, the Department of Mental Health and Addiction Services (DMHAS), and the Division of Criminal Justice (DCJ) for certain purposes.

- 70% to DESPP and local police departments, of which 15% must be used for drug education and 85% for detecting, investigating, apprehending, and prosecuting people for drug crimes and training police on gang violence;
- 20% to DMHAS for (a) substance abuse treatment and education programs and (b) tobacco prevention and enforcement positions engaged in compliance activities, as required to receive a federal block grant for substance abuse and treatment; and
- 10% to DCJ to prosecute people for drug crimes (the division states that it uses this money for salaries related to asset forfeiture).

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COMMITTEE ACTION

Appropriations Committee

Joint Favorable

Yea 55 Nay 0 04/07/2016